

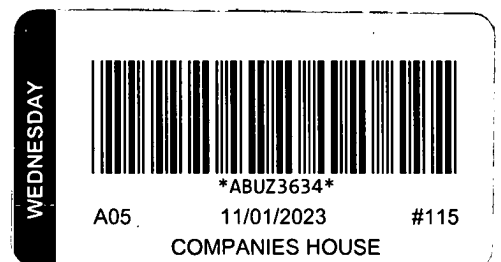
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Branch Number: FC23442

**NG Electricity Distribution Limited (formerly WPD Limited)**  
**(Registered in Guernsey)**

**ANNUAL REPORT AND SECTION 700 ACCOUNTS**

**For the year ended 31 March 2022**



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## **Company information**

For the year ended 31 March 2022

### **Company name**

NG Electricity Distribution Limited (formerly WPD Limited)

### **Directors**

AJ Sleightholm

IR Williams (resigned 31 July 2022)

GR Halladay (appointed on 6 October 2022)

### **Company Secretary**

Carey Commercial Limited (appointed on 13 September 2021)

### **Registered office**

1<sup>st</sup> and 2<sup>nd</sup> Floors

Elizabeth House

Les Ruettes Brayes

St Peter Port

Guernsey

GY1 1EW

### **Guernsey registered number**

35186

## **Directors' report**

For the year ended 31 March 2022

The directors present their annual report and Section 700 Accounts of NG Electricity Distribution Limited (formerly WPD Limited) (the "Company"), registered in Guernsey, registration number 35186 and branch number FC23442, for the year ended 31 March 2022.

### **Ownership**

NG Electricity Distribution Limited (formerly WPD Limited) is an indirect, wholly-owned subsidiary of National Grid Electricity Distribution plc (formerly Western Power Distribution plc). The principal activity of National Grid Electricity Distribution plc (formerly Western Power Distribution plc) and its subsidiaries (the "NGED Group", "Group" or "NGED") is the distribution of electricity in the South West and Midlands regions in England and in South Wales.

On 14 June 2021, PPL Corporation completed the sale transaction of its UK investment in the NGED Group, which includes the Company, to National Grid plc ("National Grid"). On completion of the sale the ultimate controlling parent of the NGED Group is National Grid plc, registered in England and Wales. National Grid is an energy company operating in the UK and United States of America.

### **Incorporation**

The Company was incorporated in the Bailiwick of Guernsey on 30 April 1999 under the Companies (Guernsey) Law, 1994 to 2008 (as amended).

### **Principal activity and business review**

The Company's principal activity during the year to 31 March 2022 was the ownership of operational properties used by National Grid Electricity Distribution (East Midlands) plc (formerly Western Power Distribution (East Midlands) plc) and National Grid Electricity Distribution (West Midlands) plc (formerly Western Power Distribution (West Midlands) plc) (the "Operating Companies") within the NGED Group. The principal turnover of the Company is rental income received from the Operating Companies.

### **Going concern**

After consideration, the directors of the Company have concluded that the Company has sufficient resources available to enable it to continue in existence for the foreseeable future and at least for a period of 12 months from the date of signing the financial statements and have therefore continued to adopt the going concern basis in preparing the financial statements. This consideration included the overall position of the balance sheet which shows net current assets of £6,718,100.

### **Future developments**

There are no plans to change the principal activity of the Company.

### **Result and dividends**

Profit for the year after tax amounted to £2,700,200 (2021: £1,592,200). No dividend was paid to the Company's parent during the year (2021: 2,790,000).

### **Events after the balance sheet date**

Subsequent to the year end, on 15 June 2022, the company paid a dividend of £3,850,000 to National Grid Electricity Distribution Network Holdings Limited (formerly WPD Distribution Network Holdings Limited).

On 30 September 2022, the name of the Company was changed from WPD Limited to NG Electricity Distribution Limited.

## **Directors' report (continued)**

For the year ended 31 March 2022

### **Directors**

The directors who served during the year, and up to the date of signing the financial statements, unless otherwise stated were:

AJ Sleightholm

IR Williams (resigned 31 July 2022)

GR Halladay (appointed on 6 October 2022)

### **Directors' responsibilities statement**

The directors are responsible for preparing financial statements for each financial period which give a true and fair view of the state of affairs of the Company and of the results of the Company for that period and are in accordance with applicable laws.

In preparing these financial statements, the directors are required to:


- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company, and enable the director to ensure that the financial statements comply with The Companies (Guernsey) Law, 2008. The directors are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Audit exemption**

The directors confirm that the Company is exempt from the requirement to have an audit, in accordance with section 256 of The Companies (Guernsey) Law, 2008 (as amended), and that no member has requested an audit. Accordingly, these financial statements have not been audited.

Approved by the board of directors and signed on its behalf by:



GR Halladay  
Director

17 December 2022.

**NG Electricity Distribution Limited (formerly WPD Limited)**

Avonbank, Feeder Road  
Bristol BS2 0TB

## Profit and loss account

For the year ended 31 March 2022

	Note	2022 £'000	2021 £'000
Turnover	2	4,389.5	2,889.1
Operating expense		(900.9)	(896.8)
<b>Profit before interest and tax</b>		<b>3,488.6</b>	<b>1,992.3</b>
Interest receivable and similar income	3	8.3	4.2
Other income	4	-	49.2
<b>Profit before tax</b>		<b>3,496.9</b>	<b>2,045.7</b>
Tax	5	(796.7)	(453.5)
<b>Profit for the financial year</b>		<b>2,700.2</b>	<b>1,592.2</b>

All activities relate to continuing operations.

There are no recognised gains or losses other than those included in the results above and therefore no separate statement of comprehensive income has been prepared.

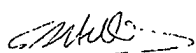
The accompanying notes are an integral part of these financial statements.

**Balance sheet**

At 31 March 2022

	Note	2022 £'000	2021 £'000
<b>Fixed assets</b>			
Properties leased to other NGED Group Companies	6	46,300.8	47,115.7
<b>Current assets</b>			
Debtors	7	4,305.8	2,883.8
Deferred tax	9	-	124.1
Cash at bank and in hand		2,906.3	16.2
		7,212.1	3,024.1
<b>Creditors: Amounts falling due within one year</b>	8	(494.0)	(63.1)
<b>Net current assets</b>		6,718.1	2,961.0
<b>Total assets less current liabilities</b>		53,018.9	50,076.7
<b>Provisions for liabilities</b>			
Deferred tax	9	(242.0)	-
<b>Net assets</b>		52,776.9	50,076.7
<b>Capital and reserves</b>			
Called up share capital	10	48,009.9	48,009.9
Profit and loss account	11	4,767.0	2,066.8
<b>Equity shareholders' funds</b>	13	52,776.9	50,076.7

The accompanying notes are an integral part of these financial statements.


**GR Halladay**

Director

17 December 2022

## Notes to the accounts

For the year ended 31 March 2022

### 1. Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 102 ("FRS 102") and in accordance with applicable provisions of The Companies (Guernsey) Law, 2008.

### 2. Turnover

Turnover, which excludes value added tax, represents the value of rents receivable on operational electricity distribution network properties owned by the Company and used by fellow subsidiaries National Grid Electricity Distribution (East Midlands plc (formerly Western Power Distribution (East Midlands) plc) and National Grid Electricity Distribution (West Midlands) plc (formerly Western Power Distribution (West

### 3. Interest

	2022 £'000	2021 £'000
<b>Interest receivable and similar income:</b>		
Interest receivable on loans to affiliated companies	8.3	4.2
Other	-	-
	8.3	4.2

### 4. Other income

In September 2000, the Company acquired control of the ordinary share capital of Hyder Limited ('Hyder'). Following the acquisition, a fixed asset investment disposal programme was commenced and substantially all of the subsidiaries of Hyder have been sold or liquidated. In November 2002, Hyder was placed into member's voluntary liquidation. On 1 June 2021, Hyder was dissolved and the Company received a final distribution of £49,200.



## Notes to the accounts

For the year ended 31 March 2022

### 5. Tax

#### (a) Analysis of charge in the year

	2022 £'000	2021 £'000
Group tax relief payable on profits for the period	430.6	-
Total current tax charge	430.6	-
Deferred tax:		
Origination and reversal of timing differences	308.0	453.5
Impact of change in corporation tax rate	58.1	-
Total deferred tax charge (Note 9)	366.1	453.5
Tax charge	796.7	453.5

#### (b) Reconciliation of the total tax charge

The tax assessed for the year is different to the standard rate of corporation tax in the UK of 19% (2021: 19%). The differences are explained below:

	2022 £'000	2021 £'000
Profit before tax	3,496.9	2,045.7
Profit before tax multiplied by standard rate of corporation tax in the UK of 19% (2021: 19%)	664.4	388.7
Effects of:		
Expenses not deductible and income not taxable for tax purposes	74.2	64.8
Group relief claimed	-	-
Impact of corporation tax rate change	58.1	-
Tax charge	796.7	453.5

#### c) Change in Corporation Tax rate

In the Spring Budget 2021, the UK government announced an increase in the main corporation tax rate from 19% to 25% with effect from 1 April 2023. This was substantively enacted on 24 May 2021. Deferred tax balances as at 31 March 2022, that are expected to reverse after 1 April 2023, have been provided for at 25%.

## Notes to the accounts

For the year ended 31 March 2022

### 6. Properties leased to other NGED Group Companies

	Software £'000	Land & buildings £'000	Fixtures & equipment £'000	Total £'000
<b>Cost</b>				
At 1 April 2021	0.5	53,455.7	561.4	54,017.6
Additions	-	-	-	-
At 31 March 2022	0.5	53,455.7	561.4	54,017.6
<b>Depreciation</b>				
At 1 April 2021	-	6,516.6	385.3	6,901.9
Charge for the year	-	773.4	41.5	814.9
At 31 March 2022	-	7,290.0	426.8	7,716.8
<b>Net book value</b>				
At 31 March 2022	0.5	46,165.7	134.6	46,300.8
At 31 March 2021	0.5	46,939.1	176.1	47,115.7

Properties relate to operational electricity distribution network properties owned by the Company and used by fellow subsidiaries National Grid Electricity Distribution (East Midlands) plc (formerly Western Power Distribution (East Midlands) plc) and National Grid Electricity Distribution (West Midlands) plc (formerly Western Power Distribution (West Midlands) plc).

All property is accounted for using the cost model under FRS 102 Section 17 'Property, Plant and Equipment' as the fair value cannot be reliably measured without undue cost or effort on an on-going basis.

### 7. Debtors

	2022 £'000	2021 £'000
Amounts due from group and affiliated companies	4,292.2	2,872.5
Prepayments	3.1	1.4
VAT debtor	0.6	-
Other debtors	9.9	9.9
	4,305.8	2,883.8

## Notes to the accounts

For the year ended 31 March 2022

### 8. Creditors: Amounts falling due within one year

	2022 £'000	2021 £'000
Group tax relief payable	430.6	-
Trade creditors	61.5	63.1
Accruals and deferred income	1.9	-
	494.0	63.1

### 9. Deferred tax

	2022 £'000	2021 £'000
Deferred tax on property assets	242.0	(124.1)
	242.0	(124.1)
Deferred tax asset at 1 April	(124.1)	(577.6)
Deferred tax charge in profit and loss account	366.1	453.5
Deferred tax liability/(asset) at 31 March	242.0	(124.1)

### 10. Called-up share capital

	2022 £'000	2021 £'000
Allotted, called-up and fully paid 48,009,900 Ordinary shares of £1 each	48,009.9	48,009.9

### 11. Reserves

	Profit and loss account £'000
At 1 April 2021	2,066.8
Profit for the financial year	2,700.2
Dividends paid	-
At 31 March 2022	4,767.0

## Notes to the accounts

For the year ended 31 March 2022

### 12. Events after the reporting period

Subsequent to the year end, on 15 June 2022, the company paid a dividend of £3,850,000 to National Grid Electricity Distribution Network Holdings Limited (formerly WPD Distribution Network Holdings Limited).

On 30 September 2022, the name of the Company was changed from WPD Limited to NG Electricity Distribution Limited.

### 13. Reconciliation of movements in shareholders' funds

	2022 £'000	2021 £'000
Profit for the financial year	2,700.2	1,592.2
Dividends paid to shareholder	-	(2,790.0)
Net addition to equity shareholders' funds	2,700.2	(1,197.8)
Opening equity shareholders' funds	50,076.7	51,274.5
Closing equity shareholders' funds	52,776.9	50,076.7

#### Branch Address:

#### NG Electricity Distribution Limited (formerly WPD Limited)

Avonbank, Feeder Road

Bristol BS2 0TB

Telephone : 0117 933 2000

email: [nged.info@nationalgrid.co.uk](mailto:nged.info@nationalgrid.co.uk)

Branch Number: FC23442